



Modern Slavery Statement



This statement is made by Lidl Great Britain Limited (Lidl GB) pursuant to section 54 of the Modern Slavery Act 2015 (the 'Act') and constitutes our slavery and human trafficking statement for the financial year ending 28th February 2026.



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Introduction

At Lidl GB, we are committed to supporting the eradication of modern slavery by identifying, addressing, and mitigating risks across our business operations and supply chains.

To build upon the strong progress already made, we are continuously strengthening our internal governance and corporate transparency. We are embracing collaboration on both a global and industry level to maximise our collective impact, whilst scaling up targeted human rights projects within high-risk sectors. Recognising that only by tackling exploitation together can we expect to end modern slavery.

Openly sharing our journey remains central to this approach, with transparent reporting vital if we are to safeguard vulnerable workers and ensure safe, fair working conditions for all.

In the last financial year, we have:

- Completed the re-launch of the Lidl and Fyffes banana gender equality training programme and established new KPIs to measure the impact of training on the well-being and experience of female workers.
- Continued the roll out of the Lidl Banana Living Wage Project for Lidl GB national banana suppliers, working towards closing the wage gap and improving livelihoods for workers in the supply base.
- Improved supply chain due diligence through the completion of the Ecovadis roll out for food, F&V and non food, own-brand suppliers.
- Supported multiple measures as part of our membership to the Seasonal Worker Scheme Taskforce, including independent worker surveys, updates to the Just Good Work app and undertaken Responsible Recruitment Progress Assessments (RRPAs).
- Introduced a new internal Sustainability Steering Committee, bringing together departments from across the national business to support a network of sustainability projects and management.

While these achievements mark significant steps forward in strengthening our due diligence, we recognise that modern slavery remains an issue across the world, meaning our work is never truly finished. To sustain progress and drive meaningful improvement, we are taking action across every tier of our operations and supply chain by implementing next-stage measures.

By ensuring our human rights strategy remains resilient and adaptable to future challenges, we continue to do the right thing for our customers. Ultimately, our purpose of making good food accessible to everyone and providing More To Value can only be achieved if the people who grow, pick, and process our products are treated fairly and with dignity.

Our 10th modern slavery statement outlines the work we have done over the financial year ending 28th February 2026.



Organisation structure and supply chains

As a business, we strive to work in a way that champions fairness and quality.

Sustainability at Lidl GB isn't just a target, it is the very foundation of our identity and is vital to our enduring success.

We strive to do this in a way that's fair and responsible, by supporting our colleagues, customers, and communities, including those we source our raw materials and products from globally.

As part of this, we are committed to protecting and championing human rights across our supply chain. We recognise and embrace our responsibility to ensure that the people who produce our products have access to safe, decent work.

Great Britain

Since arriving in Great Britain in 1994, Lidl GB has experienced continuous growth and is now the UK's fifth-largest supermarket with over 35,000 employees, across more than 1,010 stores and 13 distribution centres spanning England, Scotland, and Wales.

International

As part of the Schwarz retail group, Lidl is one of Europe's leading organisations in the food retail industry. On a global scale, the supermarket connects over 395,000 colleagues, operating around 12,900 stores and more than 230 logistics centres across 32 countries.



Our supply chains and products

Thousands of local and international suppliers and partners produce our ingredients, raw materials, and finished products. These instrumental relationships help us to fulfil our mission of providing for our growing and loyal customer base.

Our products are negotiated by Buying teams based in our Lidl GB head office, at our international office in Germany and throughout our network of Lidl markets in Europe.

As a business, we understand our responsibility to improve living and working conditions wherever our products are manufactured, and we take proactive steps to reduce the risk of modern slavery.

Own-brand lines make up the majority of the products we offer our customers, so they are the primary focus for our modern slavery strategy and overarching human rights due diligence.

35,000+ employees

1,010+ stores

13 distribution centres





700 suppliers

To offer our customers a diverse range of food and fresh produce, we source from over 700 national suppliers.

1,000 suppliers

We source our non food products from over 1,000 national and international suppliers, across 13 countries.

Backing British

Our core range of fresh beef, poultry, pork, eggs, milk, cream, and block butter are 100% British.



Food

To offer our customers a diverse range of food and fresh produce, we source from over 700 suppliers via our national Buying department. We also have access to a network of other Lidl Buying teams throughout Europe to ensure we only sell the highest quality products at the best price.

Around two-thirds of the products sold in our stores are sourced from British suppliers and within that 100% of our core fresh everyday milk, butter, eggs, cream, chicken, pork and beef are sourced from British farmers.

Food promotions

During themed weeks in our stores throughout the year, we sell limited-offer food and drink products from a variety of countries. While these are not permanently listed in our stores, these items are expected to meet our responsible sourcing requirements.

Non-food

As a group, we buy and retail non-food products – found in the ‘Middle of Lidl’ – including clothing, accessories, home textiles and hard goods. Within this category we source from over 1,000 suppliers, across 13 countries. Most of our non-food products are bought through our international business (Lidl Stiftung) which manages the Lidl Group’s global non-food ethical trading programme.

Procurement

Our Procurement team plays a critical role in supporting our operations by sourcing the goods and services essential to running our business. Managing relationships with over **600 suppliers**, the team oversees procurement across a wide range of categories - from store and office equipment to warehouse fittings and technology.

Reflecting our commitment to ethical and sustainable practices and our aim to strengthen our approach, we have integrated sustainability and ethical trade practices into every stage of the procurement process.

As part of our supplier due diligence, (in line with our food buying), we have sustainability criteria in our tender evaluations. This ensures that our procurement suppliers are aligned with our values and are actively working to uphold these practices.

Human rights and ethical trade

Our internal commercial Sustainability team works from within our Buying department and supports the delivery of the priority topics linked to our supply chains, including plastics and packaging, sustainable agriculture, sustainable raw materials, healthy and sustainable diets, climate, nature and human rights.

The Lidl Group has an overarching human rights strategy outlining clear human rights objectives, which we have adopted to reflect the human rights priorities of Lidl GB. This strategy was developed through comprehensive risk assessments and close engagement with specialist stakeholders, which identified the main risks facing workers across our business operations and global supply chains.

For further information about how we are delivering this strategy beyond modern slavery, please review our [Buying Policy for Human Rights in the Supply Chain](#).

Lidl Human Rights Strategy at a glance:

Understand our impact

We identify risk and opportunities in our supply chains

Enforce standards

We promote the ILO core conventions

Promote fair supply chains

We promote living wages and incomes

Driving systemic change

We engage in development programmes, initiatives and projects

Governance

Overarching responsibility for upholding human rights due diligence sits with the CEO of Lidl GB. A set governance structure exists across all Lidl markets to ensure a robust chain of accountability.

Through this process, the Lidl GB board formally monitors our progress on key human rights and modern slavery topics.

In the last financial year we have also introduced and formalised a new Sustainability Steering Committee, managed by the central Sustainability teams (both corporate and commercial sustainability), to bring together multiple departments from around the business to deliver fundamental sustainability projects.

Lidl Group

CEO

Accountable for corporate due diligence (including respect for human rights and environmental impacts)

Board Director

Responsible for the implementation of corporate due diligence at an international department level

Sustainability and Buying Departments

Enables strategy implementation at a national level and integrates within purchasing practices

Lidl Great Britain

CEO

Accountable for corporate due diligence (including respect for human rights and environmental impacts)

Board Director

Responsible for the implementation of corporate due diligence at an international department level

Sustainability and Buying Departments

Enables strategy implementation at a national level and integrates within purchasing practices

Lidl GB Sustainability Steering Committee

Accountability

Board Sponsorship

Management

Central Sustainability Teams

Responsibility

Departmental Steering Committee

Directors or Head of Departments from core delivery departments

Delivery

Commercial Sales and Operations

Human Resources

Controlling and Finance

Real Estate

Engagement

Corporate Affairs
Customer

Partnerships

Through these longstanding partnerships, we work to address risks in our British operations, UK supply base, and global raw material supply chains.

Examples of how we engage with these organisations to prevent and mitigate modern slavery are outlined throughout this statement. This year Lidl GB joined the Schwarz Group in becoming a signatory of the United Nations Global Compact (UNGC).



Policies

We are committed to developing and embedding policies which uphold human rights and protect workers across the Lidl Group and throughout our global supply chains.

For our business

We have established a range of policies to protect and enhance the wellbeing of the colleagues we employ, both directly and indirectly. These policies include our Anti-Harassment Policy; Grievance Policy; Eligibility to Work Procedure; Working Time Regulations Policy and Equal Opportunities Policy.

Since 2018, we have had a wellbeing strategy called “Feel Good Five” focusing on the five ‘pillars’ of social wellbeing: food & fitness, family & friendships, finance, feelings and futures. Through our dedicated Employee Assistance Programme, a range of free and confidential services are available for all employees, including counselling, cognitive behavioural therapy, and a confidential helpline.



Our Feel Good Five
**Your wellbeing
matters**

For our supply chains

We align our practices with internationally recognised frameworks, including the below:

- International Bill of Human Rights
- UN Guiding Principles on Business and Human Rights (UNGPs)
- UN Convention of the Rights of the Child
- UN Convention of the Elimination of All Forms of Discrimination against Women
- OECD Guidelines for Multinational Enterprises
- International Labour Organization Declaration on Fundamental Principles and Rights at Work
- Paris Climate Agreement
- Minamata Convention
- Stockholm Convention
- Basel Convention
- The ten principles of the UN Global Compact (UNGC)

To review all Lidl human rights and raw material policies, please see our [corporate website](#).



The Schwarz Group Business Partners Code of Conduct (CoC) outlines the minimum standards expected across our business operations and supply base, including Lidl's zero tolerance approach to forced labour, involuntary prison labour and child labour. We require all our suppliers and direct business partners to uphold its clauses.

The Sustainable Purchasing Policy (SPP) is an additional contractual document for food, F&V and non-food suppliers, outlining additional requirements or procedures on a variety of human rights and environmental supply chain topics.

It includes responsible recruitment, protecting the rights of children and young people, grievance mechanisms and redress. This document was developed to support our own brand suppliers to embed enhanced due diligence within their own business and wider supply chain.

Ecovadis

To support our suppliers in benchmarking and progressing their human rights and environmental due diligence practices, Lidl has expanded its partnership with Ecovadis to all own-brand food, F&V and non-food suppliers.

Through this platform, suppliers complete a detailed self-assessment across themes such as: human rights, ethics and sustainable procurement. Ecovadis then review and rate the supplier questionnaires and evidence provided, and offers guidance to strengthen procedures or policies, aiming for continuous improvement.

Risk Assessment and Management

We structure our modern slavery strategy using a risk-based approach. This means systematically identifying and addressing the most adverse, actual, and potential risks within our business and supply chains as a matter of priority.

Guided by the UN Guiding Principles on Business and Human Rights, we take accountability for the adverse impacts of our business and review opportunities for continual improvements. We do this by identifying key risks, developing tangible actions and implementing enhancements to our working practices and buying policies in collaboration with external partners.



2025 risk assessment

The raw materials risk assessment we conducted in 2025 analysed the human rights risks for a variety of different raw materials present in our supply chains.

Identified high-risk raw materials and their associated risks/countries of origin are displayed in the table to the right.

- 01** Child labour
- 02** Forced labour
- 03** Fair remuneration
- 04** Land rights
- 05** Occupational health and safety
- 06** Discrimination
- 07** Freedom of association

TROPICAL FRUITS



- 01 – Costa Rica, Türkiye, Mexico, Ecuador, Colombia
- 02 – Costa Rica, Türkiye, Mexico, Ecuador, Colombia
- 03 – Costa Rica, Türkiye, Mexico, Ecuador, Colombia
- 04 – Costa Rica, Ecuador, Dominican Republic
- 05 – Costa Rica, Ecuador, Colombia, Philippines
- 06 – Türkiye, Egypt
- 07 – Türkiye, Ecuador, Colombia, Philippines

SPICES



- 01 – China, Vietnam, Indonesia, Madagascar
- 02 – China, Vietnam, Indonesia, Madagascar
- 03 – China, Vietnam, Indonesia, Madagascar
- 04 – Indonesia, Madagascar
- 05 – China, Vietnam, Indonesia, Madagascar
- 06 – Vietnam, Indonesia, Sri Lanka
- 07 – China, Indonesia, Madagascar, Guatemala

COFFEE



- 01 – Brazil, Vietnam, Honduras
- 02 – Brazil, Vietnam, Honduras
- 03 – Brazil, Vietnam, Honduras
- 04 – Peru
- 05 – Brazil, Vietnam, Honduras
- 06 – Vietnam
- 07 – Brazil, Vietnam, Colombia

COTTON



- 01 – India, China, Pakistan, Brazil
- 02 – India, China, Pakistan, Brazil
- 03 – India, China, Pakistan, Brazil
- 04 – India
- 05 – India, China, Pakistan, Brazil
- 06 – India, Pakistan
- 07 – India, China, Pakistan, Brazil

COCOA



- 01 – Cote d'Ivoire, Ghana, Nigeria
- 02 – Cote d'Ivoire, Ghana, Nigeria
- 03 – Cote d'Ivoire, Nigeria, India
- 04 – India
- 05 – India
- 06 – Cote d'Ivoire, Nigeria, India
- 07 – India

TEA



- 01 – China, India, Sri Lanka
- 02 – China, India, Sri Lanka
- 03 – China, India, Sri Lanka
- 04 – India, Indonesia
- 05 – China, India, Sri Lanka
- 06 – India, Sri Lanka, Indonesia
- 07 – China, India, Indonesia

NUTS



- 01 – China, Vietnam, Argentina, India, Nigeria, Cote d'Ivoire
- 02 – China, Vietnam, Argentina, India, Nigeria, Cote d'Ivoire
- 03 – China, Vietnam, Argentina, India, Nigeria, Cote d'Ivoire
- 04 – India
- 05 – China, Vietnam, Argentina, India
- 06 – Vietnam, Nigeria, India, Cote d'Ivoire
- 07 – China, India

RICE



- 01 – China, India, Cambodia
- 02 – China, India, Cambodia
- 03 – China, India, Cambodia
- 04 – India, Cambodia
- 05 – China, India, Cambodia
- 06 – India, Cambodia
- 07 – China, India, Cambodia

PLANTS & FLOWERS



- 01 – Kenya, Ethiopia, Ecuador
- 02 – Kenya, Ethiopia, Ecuador
- 03 – Kenya, Ethiopia, Ecuador
- 04 – Costa Rica
- 05 – Ethiopia, Ecuador
- 06 – Ethiopia
- 07 – Ecuador

SUGARCANE



- 01 – Brazil, India, China
- 02 – Brazil, India, China
- 03 – Brazil, India, China
- 04 – India
- 05 – Brazil, India, China
- 06 – India
- 07 – Brazil, India, China

PALM OIL (KERNEL) OIL

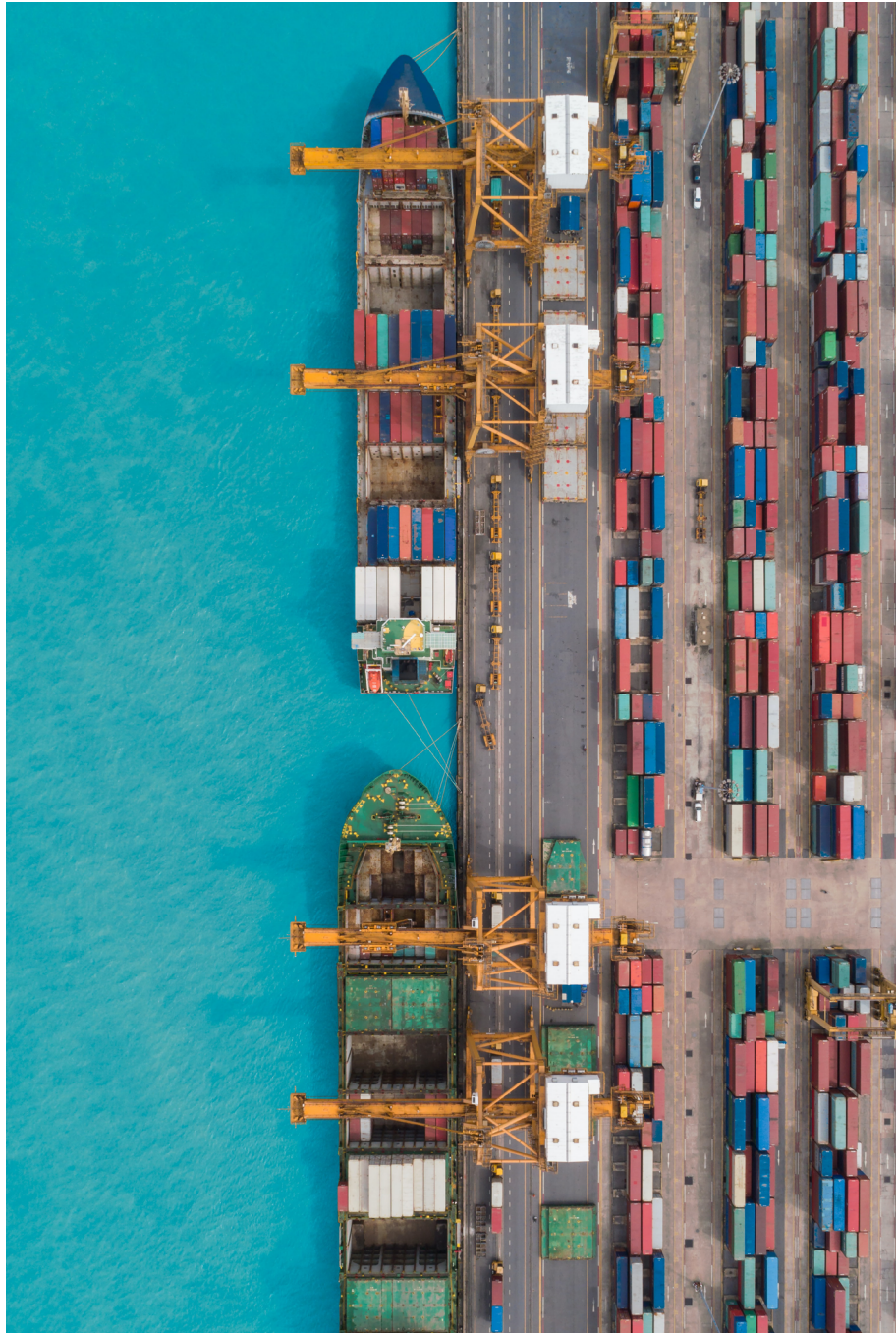


- 01 – Indonesia, Malaysia
- 02 – Indonesia, Malaysia
- 03 – Indonesia, Malaysia
- 04 – Indonesia
- 05 – Indonesia, Malaysia
- 06 – Indonesia
- 07 – Indonesia, Malaysia

FISH & SEAFOOD



- 01 – Ecuador, Argentina, Uganda, India
- 02 – Ecuador, Argentina, Uganda, India
- 03 – Ecuador, Argentina, Uganda, India
- 04 – Ecuador, Argentina, Uganda, India
- 05 – Ecuador, Argentina, Uganda, India
- 06 – Uganda, India
- 07 – Ecuador, India



Supply chain transparency

Supply chain transparency is foundational to our human rights strategy. By continuously disclosing the complexities of our global sourcing, we hold ourselves accountable for our impact and actively work to build upon our progress.

Our commitment is long-standing and evolving:

- Since 2017, we have published annual updates of our tier-one non-food (textiles) and hardware suppliers.
- In 2020, we became one of the first UK retailers to disclose our entire fruit and vegetable supplier list.
- We actively map indirect supply chain actors, prioritising recognised high-risk categories such as bananas, tea, and berries. For these commodities, we have conducted Human Rights Impact Assessments (HRIAs) and consider transparency as a vital lever for initial due diligence.

At a national level, we fully disclose our fish and seafood supply chains, including our fish feed suppliers. This expands on our long-term commitment to the Ocean Disclosure Project, through which we publish our farmed and wild-caught supply chains on an annual basis. Most recently, we published a new supply chain list for farmed warm water shrimp, directly responding to the 2022 Lidl GB HRIA and subsequent action plan for shrimp sourced from India.

To further advance our approach, we are collaborating with our supply base to map the journey of critical raw materials. We validate certification commitments through a comprehensive annual supply chain questionnaire, currently focused on key commodities including tea, coffee, cocoa, nuts, and cellulose.



Third-party certification schemes

Third-party certification schemes are a vital initial step in our human rights due diligence journey. They help to ensure that the sites we source from undergo regular external monitoring and operate in line with approved standards across environmental and social criteria.

As of the end of FY25, we have now met key long term certification targets for our critical raw materials. For a full list of our identified critical raw materials and Lidl's corresponding targets, please see our [Raw Materials Policy](#).

Fairtrade

Since 2006, we have partnered with leading independent certifier Fairtrade to help secure a fairer deal for the farmers and workers in some of our raw material supply chains. Our actions include supporting improved livelihoods – one example being our 'Way To Go' chocolate, launched in 2019, which contributes to efforts towards achieving living incomes for producers.

Through Fairtrade certification, farmers can receive greater security, from long-term contracts to safer working conditions. It can also mean more reliable income for producers, independent of fluctuating global market prices, through the set Fairtrade Minimum Price.

In 2025, Lidl was the number one UK grocery retailer for Fairtrade own brand cocoa, for 8 years running.



Social compliance programme

The Lidl GB social compliance programme enables insight into the many suppliers we work with which grow, manufacture, and package all of our food products.

We require all Lidl GB negotiated own brand, food suppliers to:

- Connect to Lidl GB on the Sedex platform and provide full visibility
- Complete the Sedex self-assessment questionnaire (SAQ)
- Complete an annual audit (if site/s identified as high-risk)
- Attend Stronger Together's 'Tackling Modern Slavery' workshop (UK-based suppliers only)

At the close of 2025/26 financial year, 91% of our direct food suppliers were compliant to Lidl GB Sedex requirements. Further detail on our [supplier ethical requirements](#) can be found on our corporate website.

Within the non-food supply chain, all tier one producers in identified high-risk countries must have a valid social (e.g. BSCI) and environmental (e.g. ISO 14001 or BEPI) audit. We also implement specific policies to promote responsible recruitment and tackle the root causes of forced labour and child labour.

Supply chain audits

We use Sedex - a data platform for supply chain assessment – to understand key information about our supply base including the number, gender, and nationality of suppliers' employees, and use of temporary/agency workers.

Sedex risk assesses suppliers (ranking them low, medium, or high) based on several factors, including inherent risk based on location country and sector, and information taken from their SAQ.



We require suppliers who have been identified as high-risk to undertake an independent ethical audit. Ethical audits are closely monitored to ensure that corrective actions are closed off in the agreed timescales.

We consider audits a useful tool to understand suppliers' management systems and measure these against the expectations of our CoC and SPP. However, we understand there are limitations to ethical audits - particularly their ability to only capture results at a moment in time and their limited capability to address the most adverse instances of labour exploitation, such as modern slavery. We continue to trial different approaches to maximise the value of social audits.

Human Rights Impact Assessments (HRIAs)

HRIAs are a form of human rights due diligence, typically conducted in high-risk supply chains. Their fundamental purpose is to build a picture of where and how specific business and supply chain activities have the potential to impact internationally recognised human rights.

The Lidl Group has a target to conduct three HRIAs a year until 2025. These assessments enable us to develop Lidl-specific supply chain action plans, to address identified risks which are not typically detected through other due diligence methods e.g. social audits.

During this reporting period, Lidl kicked off three new HRIAs: rice from India, olive oil from Spain and Greece, and sugar cane from Colombia.

For the first time, Lidl has been working on a Human Rights and Environmental Impact Assessment (rice, India), recognising that risks are cross-cutting and should be addressed collectively to support the most sustainable outcomes.

All of our final [HRIA reports, action plans and progress reports](#) are published on our corporate website.

Responsible recruitment

Pay and contracts

Good pay plays a vital part in responsible recruitment, as it can reduce the need for employees to seek out supplementary work which is often more precarious.

For this reason, we are committed to paying our direct employees industry-leading wage rates. In 2015, we were proud to become the first supermarket in the UK to pay the voluntary living wage as recommended by the Living Wage Foundation. We continue to align with this, and in some instances, exceed it.

Earlier this year, we also made a further £29m investment in colleague pay, recognising the contribution of all 35,000 colleagues and cementing our position as one of the UK's highest-paying supermarkets. From 1 March 2026, entry-level hourly pay rose to an industry-leading £13.45 nationally, increasing to £14.45 with length of service. In London, hourly pay increased from £14.35 to £14.80, rising further to £15.30 with length of service.

Alongside pay, Lidl is supporting its teams during all life stages by introducing one of the industry's most competitive paternity leave offers, providing colleagues with up to eight weeks of full pay. This entitlement is available to colleagues after five years of service. For those with up to five years of service, Lidl has doubled the initial offering from two to four weeks of full pay. This extension builds on our existing credentials as the first supermarket to introduce 28 weeks full pay for maternity or adoption leave, alongside our support for fertility treatment and pregnancy loss.

We recognise that workers may be more vulnerable to exploitation if they lack employment stability and decent pay. Therefore we ensure that, where possible, people employed by Lidl are recruited on permanent contracts. We aim to ensure that temporary workers are only used for periods of high demand, or as a temporary measure until permanent workers can be recruited.



Monitoring labour providers

Poor recruitment practices can drive modern slavery, with significant risk where vulnerable workers are in desperate need of employment and/or have emigrated for work. Internal hiring managers across the business have a yearly refresher around recruitment practices to ensure consistent fairness and compliance.

- We require 100% of our labour providers to be certified by the Gangmasters and Labour Abuse Authority (GLAA).
- We assess our processes to ensure that the labour providers we work with at our Regional Distribution Centres (RDCs) meet our ethical and responsible recruitment requirements and have access to industry-leading modern slavery training.
- We continue to recommend additional due diligence measures to ensure that we only work with responsible labour providers.
- We have been working with the Seasonal Workers Scheme (SWS) Taskforce to further roll out the Responsible Recruitment Progress Assessment.
- Risk of exploitation rises where we work with labour agencies to help manage peaks in labour demand, so we have put in place procedures to mitigate this.

Recruitment fees

At a Group level, we actively support the Employer Pays Principle (EPP) to help tackle the issue of workers potentially falling into debt bondage and exploitation. This states: 'No worker should pay for a job – the costs of recruitment should be borne not by the worker but the employer'.

As members of the Food Network for Ethical Trade (FNET) Responsible Recruitment working group, we're learning how to put this commitment into practice. As members of the SWS Taskforce, we have funded (alongside DEFRA) an EPP Feasibility Study, understanding how EPP can work in practice, e.g to support serious cases of recruitment fee payments in the UK horticulture sector.

Whistleblowing and supply chain grievance mechanisms

In our business

As a responsible business, it is of the greatest importance to us to be able to identify serious breaches of our CoC as early as possible, including any allegations or indicators of modern slavery. For this reason, we operate a number of channels through which employees, business partners and members of the public can raise concerns. Confidential reports can be made directly to Lidl's Compliance team by email, post, online and/or indirectly to our external law firm. When notified of any allegations we take a victim-centred, efficient, and collaborative approach to our investigations.

In our supply chains

Ensuring that workers have access to an effective grievance mechanism in global supply chains is an essential part of corporate due diligence, as this enables human rights risks and potential rights violations to be uncovered and addressed. This is a key element of our SPP.

We recognise 'effective grievance mechanisms' as defined by the UNGPs, meaning that they are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning and based on engagement and dialogue.

When it comes to ensuring that grievance mechanisms are impactful, we know that considering the specific context of the industry, country, and site is crucial. Furthermore, we are conscious that access to grievance mechanisms may be more limited for women, migrant workers, and smallholders.

In instances where we have worked to improve practices and remain unable to confirm adequate protection of human rights, we reserve the right to withdraw our business in a responsible manner.

Unseen

The UK Modern Slavery and Exploitation Helpline is a victim-centric helpline, run by the anti-slavery charity Unseen. Through this Helpline, potential victims and members of the public are able to contact fully trained call handlers to report concerns and access support by specialist organisations, for example safe houses, faith organisations, the National Referral Mechanism or law enforcement.

Since 2024, Lidl GB has been a member of the 'Unseen Business Portal'. This is an online platform where information reported to the Modern Slavery Helpline is shared with member businesses. Through this portal, cases can connect multiple businesses and enable cross-industry collaboration to support efficient case handling and remediation efforts.

For further information on the grievance mechanisms Lidl continue to embed within our supply chains, please refer to our [Human Rights in the Supply Chain, Progress Report](#).

UK Food Supply Chain Serious Incident Escalation Protocol

UK food retailers, including Lidl GB, actively utilise the UK Food Supply Chain Serious Incident Escalation Protocol to ensure that reports of modern slavery or serious worker exploitation affecting multiple businesses are handled through a unified, cross-industry approach.

Developed and managed in close coordination with supportive partners including the Food Network for Ethical Trade (FNET) and the anti-slavery charity Unseen, this protocol establishes a standardised process for suppliers to safely escalate critical issues. Rather than individual retailers pursuing isolated and repetitive investigations that place an unnecessary burden on the supply chain, the protocol drives direct collaboration among all affected parties to share intelligence, streamline communications, and implement consistent best-practice and remediation. By leveraging this collaborative network and specialised partners, retailers and suppliers can support safeguarding vulnerable workers, eliminate duplication of effort, and ensure that serious supply chain incidents are resolved effectively.

Supply chain grievance reports

Reports of supply chain grievance cases related to labour exploitation or modern slavery indicators can come through various channels, internally or externally, including through our close industry peers and business partnerships. When we are made aware of a supply chain case, we follow the UK Food Supply Chain Serious Incident Escalation Protocol, to ensure we are working with key stakeholders to collaborate on an investigation and action plan, enabling an efficient, streamlined process.

Reporting channel	Number of reports in FY25/26	Country of origin
Buying	1	Ireland
Ethical Trading Initiative (ETI)	1	Peru
Lidl Whistleblowing Channel	2	UK
Media	1	Spain
NGO	1	Unknown
Retailer	1	Cameroon
Supplier	2	Peru, Mexico
Unseen	4	UK



Seasonal Workers Scheme Taskforce

In March 2023, the Seasonal Workers Scheme (SWS) Taskforce was formed with a mission of “working collaboratively to develop and implement tangible actions to help safeguard and ensure access to workers’ rights in the UK Seasonal Worker Scheme and wider UK horticulture.”

In 2025, key progress updates include:

Workstream A - Workers education, information, communication, grievance mechanisms and remediation:

- Roll out of the Independent Worker Survey to help identify and respond in season to any trends in working, living and human rights challenges.
- The Just Good Work (JGW) worker information app was further developed and distributed to increase communication with workers at the earliest stages of recruitment and throughout employment on their rights and entitlements, and where to access support. In 2025, there were over 45,000 total users, and 19,000 new jobseekers and workers accessed information in their own language.



Workstream B - Due diligence and good practice during recruitment and on farm:

- Seven in-person Regional Grower Roadshows were conducted and two online, responding to latest priority risks including cultural awareness and inclusion training in collaboration with IOM. In 2025, roadshows reached over 425 delegates including growers, Scheme Operators, retailers, and other businesses in the industry. 92% found the toolkit and training useful and relevant. 91% acted on the content to improve practices and implement practical actions to reduce risks and improve worker experience. At least 300 unique growers have been reached through Taskforce roadshows since 2023.
- Ongoing roll out of Responsible Recruitment Progress Assessments (RRPAs) to support continuous improvement in responsible recruitment practices with Scheme Operators.

Workstream C - EPP Feasibility study and potential implementation:

- Delivery of Employer Pays Principle Feasibility Study within the Horticulture Value Chain, a project co-funded by the SWS Taskforce and DEFRA. The jointly-commissioned study was published by Alma Economics and the Centre on Migration, Policy and Society (COMPAS) in July 2025, following its development between December 2024 and May 2025 with the input of a multistakeholder Project Advisory Group made up of Taskforce and non-Taskforce expert advisors. The findings of the Study informed collaborative cross sector discussions over the course of two roundtable events in the autumn to discuss potential next steps as a result of the Study.

Cross Cutting - Policy Development and Stakeholder Engagement:

- Active engagement with Government departments and strategic policy development.
- Collaboration with the IOM to ensure guidance and information available to workers and actors across source countries and the UK are aligned to enhance worker wellbeing.

Living wages

Fair remuneration is a fundamental human right enabling workers to secure a dignified standard of living for themselves and their families. Since 2006, we have advocated for this in our CoC.

By working towards living wages and incomes, we have the opportunity to mitigate multiple supply chain risk factors, including workers' vulnerability to labour exploitation and forced labour.

ACT

We were the first discounter to join the Action Collaboration Transformation (ACT) initiative, a global agreement striving for collective bargaining for higher wages in the countries where goods are produced. After carrying out a survey of over 3,000 production facilities, we developed an internal strategy to continuously drive responsible purchasing practices based on the principles of ACT. This involves working with our business partners to better enable wage increases in textile production.

UK Retailer Banana Commitment

In March 2023, Lidl GB signed up to a national retailer living wage commitment with the key ambition for workers in the banana supply chains to receive a living wage by the end of 2027.

‘As a coalition of UK retailers, we will strive for workers in our banana supply chains to receive a living wage by the end of 2027. We will progress faster wherever feasible.’

To ensure this commitment is met, Lidl GB has been following the IDH Roadmap on Living Wages and using the IDH Salary Matrix to collect wage data from the supply base to calculate wage disparities. As part of the national coalition, Lidl GB has been working closely with suppliers, producers and key industry NGOs, certifiers, and trade unions to collectively understand and address key challenges.

Lidl GB is now closing living wage gaps for the banana volumes bought in our supply chain, ahead of the UK industry commitment. The first voluntary contribution payments will be made in 2026, aiming to support worker livelihoods.

Working closely with IDH, Lidl GB piloted an initial contribution calculation and distribution approach using Salary Matrix and volumes data, based on calendar year 2024. This pilot provided key input for the development and refinement of the new IDH Living Wage Contribution Calculator.

A distribution template was also developed to support suppliers and producers in transferring this contribution to farms and workers throughout the supply base.

In the third year of this commitment, Lidl GB continued to collect data using the IDH Salary Matrix, to help build a picture within the banana supply chain:

- 285 Salary Matrices were completed by producers in Lidl GB's supply chain in 2025 (the data collected was based on the 2024 calendar year)
- The completed Salary Matrices represented 33,819 workers in the supply chain
- Over 12,000 of these employees are paid below a living wage (36%)
- The average living wage gap across seven sourcing countries was 16%
- The average living wage gap for men was 15%. The average gap for women workers was slightly higher at 17%

The data above is based on self-reported information from the producers in our supply chain. To ensure the data gathered is accurate a sample of salary matrices are selected for data verification.

All UK retailers included in the UK living wage commitment, have committed to funding a project related to collective bargaining in the region of Santa Marta in Colombia. The project, coordinated by the Dutch trade union CNV, aims to empower trade union leaders to include living wages in their collective bargaining negotiations. Moreover, it aims to complement Salary Matrix data by involving workers directly in the collection of living wage data. This project will kick off in 2026.

Case Study: Way To Go tea

Lidl GB was the first UK retailer to publish a Human Rights Impact Assessment (HRIA) in 2020, based on the Kenya tea supply chain.

The goal of a HRIA is to gain in-depth knowledge of a particular supply chain (one product and/or one sourcing country), understand where and how specific business or supply chain activities have the potential to impact internationally recognised human rights, and engage directly with supply chain stakeholders and rightsholders.

A fundamental finding from this assessment was low wages and incomes, particularly for workers on smallholder farms. Low and volatile tea pricing and high, variable costs of production make it challenging for workers and households to afford a decent standard of living.

To support this, Lidl GB is introducing a new Fairtrade certified tea product into Lidl’s Way To Go range, working towards living incomes in Kenya.

Through Way To Go tea, Lidl commits to investing towards living incomes for the FINTEA Growers Co-operative Union in Kericho, Kenya and has committed to paying the Fairtrade Living Income Reference Price (LIRP) for 100% of the tea volume sourced for this product.

This income improvement premium (IIP) supports stable incomes for farmers in the long term, paid in addition to the Fairtrade Minimum Price and Fairtrade Premium.

Lidl, in partnership with Fairtrade, is the first UK retailer to develop a LIRP for tea.

The LIRP indicates the price needed for a full-time farmer to earn a living income from the sales of their crop. There are a number of factors involved in calculating the LIRP, including costs of sustainable production and cost of a decent standard of living, both specific to the region and country of focus.

Data for black tea production was collected through a structured focus group discussion in Kenya, involving farmers and technical experts from four cooperatives distributed across the West of Rift region in Kericho, as well as representatives from the Tea Board of Kenya and the Kenya Tea Development Association. This group convened to understand the LIRP methodology, agree values for each variable involved in the calculation, and then later to verify the final outcome.

Way To Go tea will be available in Lidl GB from 2026, when Lidl will begin to monitor and report on the impact of this IIP on farmers within our supply base.



Alfred Mutai, tea farmer at Fintea Growers Co-operative Union, Kenya

Training

Raising awareness across our internal departments and among our colleagues is a cornerstone of our strategy to tackle modern slavery. By equipping our teams with the right tools, we ensure exploitation is recognised and reported at every level of our operations.

Head office, stores, and Regional Distribution Centres (RDCs)

In 2021, we launched our first internal 'Modern Slavery Awareness' eLearning to ensure all colleagues understand what modern slavery is, how to spot potential signs of exploitation, and how to safely report concerns. This eLearning was developed using video case studies and insights from the specialist organisation Stronger Together.

Initially launched for desk-based teams at our head office and RDCs, this training has since been extended to all operational RDC staff and store colleagues. As the frontline of our business, our store teams play a critical role in identifying potential indicators within their stores and local communities.

To ensure the content remains engaging and relevant across diverse roles, we regularly update the eLearning with new case studies. In the last financial year, we introduced an "adaptive" format with interactive questions aligned to the videos, allowing colleagues who want deeper insights to access supplementary training content.



Image taken from Stronger Together Lidl GB Modern Slavery Awareness Training

Commercial and Buying Teams

Our Buying department regularly interacts with external businesses and establish supplier contracts. To help buyers navigate the specific risks within their categories, Lidl GB's Commercial Sustainability team delivers targeted training during the annual range review cycle.

This specialised training outlines the distinct human rights challenges associated with specific products, raw materials, and sourcing countries. It also highlights the strategic actions we are taking as a business, empowering buyers to work collaboratively with suppliers to drive meaningful engagement and compliance.

Supplier and External Partner Engagement

We extend our training expectations beyond our internal teams to support embedding principles with our direct suppliers to encourage continuous improvement. Therefore, all our UK-based, tier-one food suppliers are required to attend Stronger Together's 'Tackling Modern Slavery in UK Businesses' workshop as part of our commercial requirements. We also strongly encourage our external labour providers and Procurement suppliers to attend this workshop to ensure alignment across our wider network.



Measuring Progress

By setting clear action-orientated goals and key performance indicators (KPIs), we are able to measure our progress over time and ensure that we are on target to meet our commitments to tackling modern slavery in our business and supply chains.

KPI	Goal	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26
Total number of tier one suppliers attending Stronger Together's 'Tackling Modern Slavery in UK Businesses' training (since the start of GB's sponsorship)	Full disclosure	551	605	693	787	921
% of current tier one suppliers attending Stronger Together's 'Tackling Modern Slavery in UK Businesses' training	100%	97%	462 97%	341 96%	336 92%	332 93%
% of employees trained through Modern Slavery Awareness eLearning	100%	2,669 99%	22,155 99%	New timing of annual roll out	26,499 99%	31,927 99%
% of current tier one suppliers compliant to Lidl GB's Sedex requirements	100%	89%	447 94%	345 92%	352 91%	318 91%
Total number of tier one suppliers identified as high risk on Sedex	Full disclosure	52	59	28	50	39
Total number of supplier third party social audits conducted	Full disclosure	215	217	135	179	204
Total number of HRIAs underway or completed	15 by 2025	6 40%	9 60%	12 80%	15 100%	15 100%

Progress on plans outlined in previous statement

Status

Improve supply chain due diligence through the completion of the Ecovadis roll out for food, F&V and non food, own brand suppliers.



Supplier roll out completed in March 2026. More information available on page 11.

Expand and formalise the Lidl approach to supply chain transparency, to enable a deeper understanding and insight into critical raw material supply chains e.g. cocoa, tea and coffee.



New supply chain questionnaire introduced. More information available on page 14.

Conduct and finalise the final three HRIAs, to meet the Lidl commitment to complete 15 by 2025. Continue to establish and strengthen due diligence and remediation measures through HRIA action plans.



2025 HRIAs in progress include: Rice from India, olive oil from Spain and Greece and sugar cane from Colombia. More information available on page 16.

Complete the re-launch of the Lidl and Fyffes banana gender equality training programme and establish new KPIs to measure the impact of training on the well-being and experience of female workers.



Launch completed in March 2025. Further information and data on this programme will be reported in future publications.

Roll out of the Lidl Banana Living Wage Project for Lidl GB national banana suppliers, working towards closing the wage gap and therefore improving livelihoods for workers in the supply base.



The latest update on the Lidl Banana Living Wage Project is available on page 21.

Introduce a new supply chain programme in the tea sector, working to address low incomes, following our Kenyan tea HRIA action plan.



Way To Go tea launching in 2026. Case study available on page 22.



Complete



In progress

Looking Ahead

In 2026, we will:

- Introduce a new Sedex Ethical Trade Coordinator to support collecting and reporting on supply chain risk data and social compliance KPIs.
- Finalise and publish this year's HRIAs and action plans, including our first Human Rights and Environmental Impact Assessment in the rice supply chain.
- Launch Way to Go tea and begin to measure impact through the additional Lidl Income Improvement Premium paid to farmers in our supply base.
- Continue the Lidl Banana Living Wage Project and enable the first voluntary contribution payments to workers in the Lidl GB supply base.
- Launch the new 'adaptive' Modern Slavery Awareness eLearning for all Lidl GB colleagues.

